

## MEDIA RELEASE

DRC Systems India Limited Announces Unaudited Financial Results for the Third Quarter (Q3) of the Fiscal Year 2022-23

Consolidated Income from Operations up 51 % Q-o-Q to INR 864 Lakhs  
Consolidated Profit after Tax up 348 %, Q-o-Q to INR 393 Lakhs  
Consolidated EBITDA up 175 %, Q-o-Q to INR 478 Lakhs

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**Gandhinagar, India, 12<sup>th</sup> January, 2023:** Information Technology and Software Consultancy Services provider, DRC Systems India Limited “DRC Systems” “the company” today announced its standalone and consolidated unaudited financial results for the third quarter and nine-month period ended December 31, 2022, for the fiscal year 2022 23.

**Issuance of Shares on a Preferential basis:** During the quarter under review, the Group had allotted 50,00,000 Equity Shares of Face Value of Re. 1/ each fully paid up, on a preferential basis to Somani Multibiz Limited (other than the Promoters and Promoter Group), at an issue price of Rs. 40/-per Equity Share (including a premium of Rs. 39/-per Equity Share), aggregating to Rs. 2,000 Lakhs (Rupees Two Thousand Lakhs Only) for cash consideration.

**Acquisition of stake in Nextenders (India) Private Limited:** During the quarter, the Company had acquired 23.34% stake in Nextenders (India) Private Limited. Post-acquisition, Nextenders will be an Associate Company of DRC Systems India Ltd. The Target Company is engaged in the business of Electronic Procurement Software Systems, Solutions & Related Services.

### Consolidated Performance Review for Q3 FY22-23:

- Operating Revenue stood at Rs. 864 Lacs up 101 % Y-o-Y, up 51 % Q-o-Q.
- EBITDA for the quarter is Rs. 478 Lacs up 719 % Y-o-Y, up 175 % Q-o-Q .
- EBITDA Margins stood at 55 % for the quarter vs 14 % in Q3 FY 2021 22
- Profit After Tax (PAT) is at Rs. 393 Lacs up 5212 % Y-o-Y, up 348 % Q-o-Q.

## Consolidated Financial Highlights – Quarter Ended December 31, 2022

Particulars	Q3 FY23	Q3 FY22	% change YoY	Q2 FY23	% change QoQ	9M FY 2022-23	9M FY 2021-22	% change YoY
Revenue	864	429	101%	574	51%	1,885	1,486	27%
EBITDA	478	58	718%	174	175%	806	181	346%
EBITDA Margin	55%	14%	306%	30%	83%	43%	12%	251%
Profit Before Tax	442	32	1282%	123	260%	667	72	827%
Profit After Tax	393	7	5212%	88	348%	551	35	1482%

*Figures in INR Lacs*

**Managing Director, Mr. Hiten Barchha:** “The company has seen continued growth in the past two quarters, and the growth stride continued even in the Q3, as international businesses witnessed seamless buoyancy after opening up the economic activities post-Covid-19 lockdown, resulting in strong balance sheets. While the global IT services market has improved, we are witnessing very strong levels of business activities for our IT & consultancy services, and the growing appetite from customers across the globe remains unstoppable. This strong demand has made us take a call to go forward with the acquisition of Nextenders (India) Pvt. Ltd and further fuel our expansion through fundraising. I am overwhelmed to see the support and the trust put in me by our company’s board of directors and investors while clinching these fundraising & acquisition deals. I look forward and I hope that the company would be able to deliver exponential growth in coming years, as there is incredible potential upside in the IT sector.”

### **About DRC Systems India Limited**

DRC Systems is an IT services and Consultancy Company in India focused on providing viable and lasting solutions to businesses. We are focused on innovation and creativity to lead the change, since its advent in 2012. With competent teams of developers, project managers, and strategists, we help our customers overcome their business challenges with customized software development. Our services and solutions help businesses scale the market. Over the years, we have diversified our service offerings through a mix of organic growth and strategic transactions. We believe the wide range of services that we offer enables us to build stronger relationships with our clients and cross sell our services. Our customer base is spread across geographies and majorly to Europe, USA, Middle East and Asia.